

**Minutes
Budget Retreat**

Aberdeen Town Board

March 11, 2016

Aberdeen Fire Department

Friday, 8:30 a.m.

Aberdeen, North Carolina

The Aberdeen Town Board met Friday, March 11, 2016 at 8:30 a.m. for the Budget Retreat. Members present were Mayor Robert A. Farrell, Mayor Pro-tem Jim Thomas, and Commissioners Joe Dannelley, Ken Byrd, Buck Mims, and Elease Goodwin. Staff members in attendance were Planning Director Pam Graham, Town Manager Bill Zell, Town Clerk Regina Rosy, and Finance Officer Beth Wentland. Reporter for the Pilot Laura Douglas was also in attendance for the meeting.

1. Call to Order

Mayor Farrell called the meeting to order at 8:35 a.m.

2. Budget Sessions

a. Police Department

Police Chief Tim Wenzel and Captain Josh Kirk joined the meeting for the Police Department presentation. Chief Wenzel stated the main priority for the upcoming budget is the take home vehicle program. The advantages of the program include cost savings, officer retention, longer life span of vehicles, and visibility. The one disadvantage is the initial cost to fully implement the program. Chief Wenzel stated currently the administrative staff, supervisors, and detectives have take home vehicles, and they would need 6 additional patrol vehicles to outfit the final 12 officers. Chief Wenzel stated this budget request would relate to the strategic goal of retaining officers. Chief Wenzel stated the total of each fully equipped vehicle is \$46,181.59. And the total for six vehicles would be \$277,089.54. Chief Wenzel stated thankfully that is not the amount they are asking for, since several steps have been taken to reduce that number including the following:

- Switching 5 Viper radios from administrative vehicles and the last detective viper so that only one radio would be needed which will save \$17,500
- Forgoing radars saving \$9,300
- If awarded a grant that has been applied for, only 2 cameras will need to be purchased saving \$21,000

- Put Todd Weaver's SUV on the road and buy an unmarked vehicle saving another \$8,000
- Altered grant to save \$4,500 on purchase for Sierra
- Not included in total, but forgoing Chief's vehicle another year (\$27,000)

Chief Wenzel stated this would provide a total savings of \$60,300 which would bring the total cost of implementing the take home vehicle program to \$216,789.59. Chief Wenzel stated the Police Department also really needs additional space. Chief Wenzel stated he has received multiple quotes for a 12 x 56 office trailer which can serve as training/conference multi-purpose room as well as much needed locker room space for the female employees. Chief Wenzel stated the best quote received was from Mod Space costing a total of \$9,361.94 for two years, and the cost includes set up and removal. A skirt for the trailer would cost an additional \$1,131 installed. Chief Wenzel stated this budget request would fall under the Strategic Goal of Encouraging Citizen Communication (by allowing the public to use this space for meetings), and Intergovernmental Cooperation (training space).

Chief Wenzel stated he also really needs an additional investigator position. Chief Wenzel stated the 3 detectives are averaging over 100 cases each per year. As workload increases, the quality of work given each case may suffer. With an additional detective, they would have a night shift rotation where each detective would work nights once every three weeks. Chief Wenzel stated an additional detective would also serve as a community officer running programs such as neighborhood watch, coordinate presentations to community groups, national night out, etc.

Chief Wenzel stated he would also like to offer an incentive to detective bureau employees of a \$1,000 stipend per year to be paid in two checks. Chief Wenzel stated he really feels that the detective bureau loses out on holiday pay when they move to the detective bureau, and he does not want to see the cream of the crop penalized. Chief Wenzel stated he would like to offer an education incentive for officers for different level degrees - \$1500 for Masters Degree, \$1000 for Bachelors Degree, and \$500 for Associates Degree. Chief Wenzel stated he feels these education incentives would assist in officer retention which enhances Town services.

Chief Wenzel discussed other needs including the following:

- Watch Guard service contract – cost of \$4,200
- Continue to replace tasers – 5 at a cost of \$6,400

- Cartridges and training cartridges - \$1,690
- Bullet-proof vests (7) - \$4,200
- Reversible winter jackets (30) - \$5,000
- Utility trailer - \$2,000
- SRT uniforms and boots - \$2,100
- Extended batteries for administration (5) - \$750

Chief Wenzel stated there are lots of wants as well, but is not going to waste time by going over those, when all of these other requests are much more important. Chief Wenzel stated as the Town continues to grow, we need to think about additional officers so we can provide the same level of service.

Commissioner Dannelley questioned the goals identified by the Police Department, and how those align with what was presented in the budget presentation by the Police Dept. Commissioner Mims stated it is important to be able to measure at the end of the year what has been accomplished and what was not able to be accomplished. Chief Wenzel stated last year his budget was cut and there were things that were not able to be accomplished. Commissioner Dannelley stated for each of the presentations today, he will be doing a comparison with the goals identified by each of the departments. Commissioner Mims and Commissioner Dannelley stated they want to know what to expect each year for capital improvements. Commissioner Dannelley stated he would like to see money set aside for future capital improvements projects that are anticipated, and that way the Board is prepared for these expenses. Finance Officer Wentland stated that can be done, but the Board would need to realize that those monies set aside would still be expenses included in the budget that would be treated as "expenses". With no further discussion, Chief Wenzel and Captain Kirk left the meeting.

b. Parks & Recreation Department

Parks & Recreation Director Adam Crocker reviewed 2015-2016 highlights – safer Sharpe Playground and used much more by the public. Director Crocker stated he would like to build on what they have done over the past year at Sharpe Park. Director Crocker discussed the improvements that took place at Colonial Heights on the ballfields – the fields are much safer thanks to the clay that has been brought in and the re-grading of the

field. Commissioner Dannelley stated the goal is to care and feed the fields, and not let them get back to where they were before. Director Crocker stated the sign has been completed for the Recreation Building. Director Crocker stated there is a huge uptick in usage of the park, and participation in programs, and building rentals. Programming added this past year includes movies by the lake, and they are looking at adding an adult movie by the lake this year. Director Crocker reviewed highlights from this past year's programs and how numbers are increasing. Director Crocker reviewed the 5 year capital improvement plan which includes the following for 2016-2017:

- Lake Park Trail Improvements - \$50,000
- Recreation Center Repairs - \$10,000
- Sharpe Park Playground Equipment - \$12,000
- JC Hut Shelter Removal - \$3,000

Commissioner Dannelley asked why the JC hut building is not being taken care of under the minimum housing budget, rather than the Parks & Recreation Budget. Director Crocker was not sure of the answer but will work with Planning Director Pam Graham on seeing if that could be a possibility. Director Crocker stated some work has been done with current staff on improving the Lake Park trail, with addition of crush and run, addition of blue stone, etc.

Director Crocker stated staff has applied for the 2017 Recreational Trails Program Grant - \$50,000 was requested, which requires a 25% Town match which would be \$12,500. March 28th is the final application release date, and June 24th is when the recommendation will take place for final applications. Director Crocker stated if the grant is received, he would really like to move the Colonial Heights storage shed item up in the capital improvements process. Director Crocker stated the current storage shed has mold in it, and is just no longer a safe structure. Director Crocker stated the estimated cost of replacement is \$10,000. Director Crocker stated there is some maintenance work that needs to take place on the Recreation Center building – brackets need caulking, warping with soffits, repainting entire building due to fading – total cost would be around \$10,000 for all of these repairs to the building. Mayor Farrell suggested painting the building and the

underside of the picnic shelter at the same time, since paint is peeling off on the underside of the picnic shelter roof.

Director Crocker stated staff would really like to get the Farmskills Festival and Bluegrass Festival back out at Malcolm Blue Farm. Director Crocker stated there has been some discussion from a group that would like to operate as "Friends of the Malcolm Blue Farm" and help with funding for programs at the Farm. Director Crocker stated the original request last year was \$18,000 for Malcolm Blue Farm programs, but it ended up getting cut to \$5,000. Mayor Farrell stated the citizens wanted the Town to take over this property, in hopes that the Town would put on programs out there. Mayor Farrell stated right now it is just sitting empty with no traffic out there. Director Crocker stated he is still working on solidifying a deal to rent the upstairs of the museum at the Farm. With no further discussion, Director Crocker left the meeting.

c. Planning Department

Planning Director Pam Graham reviewed population numbers for Aberdeen over the past 14 years. The growth rate between 2010-2014 was 12.9%. Aberdeen was the fastest growing municipality in NC during this period, and #2 in Moore County. Homebuilders in Aberdeen relay to staff that at least 80% of their contracts are with military personnel. Director Graham discussed other vibrant towns and why they are considered great places to live and things that influence that. Director Graham reviewed her 5-year capital improvement plan – for the upcoming year that includes the following:

- Master Sign Plan – this year's CIP request is for \$20,000 for trailblazing and wayfinding signs
- US 1 Crossing Project – required match from the Town for engineering costs is \$4,000
- Downtown Master Plan - \$45,000

Director Graham stated additional 2016 planning objectives are as follows:

- Minimum Housing Program needs more attention and dollars

- Maintaining a high quality staff, with continued training and a succession plan for employees nearing retirement
- A greater emphasis on zoning code enforcement
- Critical assessment of grant involvement
- Improving procedures for applicants with better communication of processes

Director Graham stated the minimum housing program needs more attention and dollars. Director Graham stated they have focused on a specific area (Hatley Street) and there are at least 5 properties that need attention. Director Graham stated the minimum housing budget has decreased steadily since 2011, when it was \$15,000. The last budget cut it to \$6,500, enough to only complete 1-2 cases. Commissioner Dannelley asked how many structures are currently identified for minimum housing. Director Graham stated she will need to research the answer to that question, and get back with Commissioner Dannelley. Director Graham reviewed additional planning objectives for the upcoming year.

Commissioner Dannelley reviewed the goals identified by the Planning Dept. in the strategic plan. Director Graham stated the Land Use Plan is also listed as a goal on the plan, and she now has the staff she needs to help her with finishing up the Land Use Plan so it can be brought to the Board for review.

d. Fire Department

Fire Chief Richardson stated this past year there were 1496 calls for service at the Fire Department. Chief Richardson stated the response time in the city limits is 3 minutes 54 seconds. Total response time for inside and outside city limits average is 5 minutes 18 seconds. 57% of responses are in the city limits. Chief Richardson stated grants awarded since 2007 total \$1,178,254. Chief Richardson reviewed the 1-10 year Capital Improvement Plan. Chief Richardson stated he really needs 2 additional personnel per shift for a total of 6 additional staff – due to multiple calls at once, and less response from volunteers. Chief Richardson stated a new engine/tanker is needed since there is no reserve, and one is 18 years old and one is 8 years old. Chief Richardson stated an inspector vehicle is needed, since they are

currently using a 2007 Explorer. Chief Richardson also discussed the AVL and the importance of implementing AVL.

Chief Richardson stated for this upcoming year he really needs the following items:

- Additional personnel: \$258,000
- Engine/tanker: \$450,000
- Squad/Brush Truck: \$175,000
- Staff Vehicle: \$36,000
- AVL: \$7,500

With no further discussion, Chief Richardson left the meeting.

Public Works Department

Public Works Director Rickie Monroe reviewed the Capital Improvement Plan for 2015/2016 for the Water & Sewer Department which included the following:

- The installation of 2,100 feet of gravity sewer main to abandon Sewer Pump Station #5 has been completed. This project was tied in with the Berkley Phase Three Project that has also been completed. Final resurfacing of the streets in Berkley is now complete.
- Installation of cured-in-place liner for high priority sewer mains was put on hold because they had to jump to 2016-2017 CIP and make major needed repairs to Pump Station #7. This work has been completed with replacement of pumps, motors, electrical controls as needed.
- AMI System is still not complete, but is being worked on. Test meters are currently installed and a meeting will be held this afternoon to look at test data for these test meters.

Director Monroe reviewed the Capital Improvement Plan for 2015-2016 for the General Fund:

Replacement of salt spreader – was cut from budget last year, but is being requested for the upcoming budget year.

- Robbins Road Drainage Project - project should be completed by May 1st, if all easements can be acquired. The engineering is 90% complete and could be ready to bid project on a short notice.
- No bid package has been sent out on Street Resurfacing until we can have a reasonable cost estimate for the Robbins Road Drainage Project.

Director Monroe stated recyclables have been carried to the landfill free of charge for the past 2 years. Now the County has sent a letter stating that they will begin charging for recyclables beginning July 1st. So far this year 545 tons have been taken to the landfill, which would be an estimated 813 tons on an average year – which would cost an estimated \$25,000 per year. Commissioner Dannelley stated he wanted to know how many households are participating in recycling. Director Monroe stated the average is 25% of the population will participate in recycling – Director Monroe said the Town would be at no more than 40%, but he does not know an exact %. Mayor Pro-tem Thomas stated he thought it would be a public relations nightmare if the Town did away with recycling. Director Monroe stated there is a \$5 savings for dumping recyclables instead of garbage.

Director Monroe reviewed the Capital Improvements Plan for the Water & Sewer Fund for 2016-2017:

- Rehab of Pump Station #7 – was moved to current budget
- Installation of approximately 1,600 LF of cured-in-place pipe liner to be installed in the Town's high priority lines that are in need of repair. This slip lining of the sanitary sewer will allow us to make these needed repairs without having to dig in space sensitive areas. Cost of \$60,000
- Replacement of water mains that are high maintenance and have required major repair expenses on a regular basis. The estimated cost to replace existing water mains is between \$75 and \$100 per linear foot.
- Replace one water/sewer service truck that has 80,000 miles – which has a lot of wear and tear on it and a lot of hours.

Director Monroe reviewed the Capital outlay requests for the General Fund for 2016-2017:

- Servicemaxx & DLB Software to be able to troubleshoot all of the fleet trucks and possibly avoid some trips to dealership - \$6,584
- Salt Dog Spreader - \$13,500
- 2016 F350 ¾ Ton crewcab – to replace a 2003 F550 - \$31,128
- 2017 500 4x2 international dump truck with snow plow / salt spreader – cost of \$115,400

f. **Lunch**
At this time, the Board took a 45 minute meal break for lunch.

g. **Finance/Administration**

Manager Zell reviewed the administration's mission statement and strategic goals. Manager Zell reviewed the medical insurance costs over a 13 year period and how well costs have been contained. Manager Zell stated medical insurance has been bid out for this upcoming year, but rates have not been received yet. Manager Zell reviewed the Wellness Incentive Program, and the money that the Town has saved by giving employees ownership in their health. Manager Zell reviewed the annual Safety & Health Day which includes health screenings for employees, payroll vendors onsite, open enrollment for insurance coverages, safety trainings, and other educational classes.

Manager Zell reviewed the Safety Program which includes regular safety committee meetings, departmental safety inspections, required safety trainings, and safety recognition lunches. Manager Zell stated the Town is bidding out the worker's compensation insurance for this upcoming budget year and we are hoping to experience some savings with our experience modifier rate decreasing from 1.0 to 0.89.

Manager Zell discussed an opportunity to work with a company called Municode to revamp our Code of Ordinances. Municode would provide a

complete legal review of our Code of Ordinances, codify the ordinances, and publish them in a way that is searchable by keyword to users.

Manager Zell discussed Revenue projections for this year, and how those are coming out so far. Manager Zell stated sales tax is coming in really well this year. Manager Zell stated he would expect to raise water and sewer rates 5% again this upcoming year due to the costs being charged to the Town. Manager Zell stated the AMI system is a radio type reading of meters so that Town staff can identify water leaks much earlier, and provide much more convenience for citizens. Commissioner Byrd asked if Water and Sewer Fund money and General Fund money can be used interchangeably. Manager Zell stated it really shouldn't. Manager Zell stated the Board will be getting the audit report Monday evening at the Work Session with more information to come on that topic. Manager Zell stated the reason the Board is getting the audit report later than normal, is because of software issues with Smart Fusion.

h. Develop Priorities for Budget

Manager Zell stated March 24th is the date that all departments have to get in their budget numbers. Commissioner Dannelley confirmed that priorities are as follows:

- Police – take home vehicle program fully implemented
- Parks & Recreation - \$50,000 for trail
- Public Works – AMI System
- Fire – 6 personnel
- Planning – Master Sign Plan

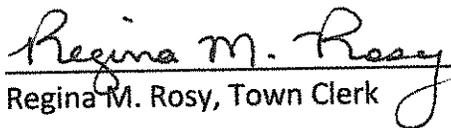
Commissioner Dannelley stated he is starting to understand the metrics behind what we do, and also have a greater appreciation for the work that goes into these budget retreats. Commissioner Dannelley stated he wants to continue to discuss how we get at capital expenditure planning and budgeting. Commissioner Dannelley stated he wants to stop robbing from the Water & Sewer Fund to balance the General Fund.

Mayor Farrell stated Aberdeen is growing, and we can not keep pinching pennies with the budget and putting off things that need to be

budgeted for now. Mayor Farrell stated he asked Manager Zell to prepare a spreadsheet of all outstanding debt the Town currently has – and he wants each Board member to review this spreadsheet and understand these are all bills the Town has to pay each year.

3. Adjournment

A motion was made by Mayor Pro-tem Thomas, seconded by Commissioner Dannelley, to adjourn the Budget Retreat. Motion unanimously carried 4-0.


Regina M. Rosy, Town Clerk

Minutes were completed in
Draft form on March 11, 2016


Robert A. Farrell, Mayor

Minutes were approved
on March 28, 2016

